GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:362
ANSWERED ON:08.08.2002
NEW RULES FOR STATE ELECTRICITY REGULATORY COMMISSIONS
SURESH RAMRAO JADHAV (PATIL)

Will the Minister of POWER be pleased to state:

(a) whether the Government are in the process of making new rules for State Electricity Regulatory Commissions;

(b) if so, the details thereof; and

(c) the time by which the new rules are likely to be promulgated?

Answer

THE MINISTER OF POWER (SHRI SURESH PRABHU)

(a) to (c) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OSTARRED QUESTION NO. 362 TO BE ANSWERED IN TI
LOK SABHA ON 08.08.2002 REGARDING NEW RULES FOR STATE ELECTRICITY REGULATORY COMMISSIONS.

(a) to (c) : The State Governments frame the Rules in respect of StateElectricity Regulatory Commissions (SERCs) under section 57 of the Electricity Regulatory Commissions (ERC) Act, 1998 or under the relevant provisions oftheir own Reform Acts as the case may be.

Section 13(e) of the ERC Act, 1998 envisages that the Central Government will formulate a tariff policy, with `the aid and advice` of the Central Electricity Regulatory Commission, which shall be :

(i) fair to the consumers, and

(ii) facilitate mobilization of adequate resources for power sector.

Ministry of Power had constituted a group under the Chairmanshipof Special Secretary (Power) to prepare a concept paper on tariff policy. The report submitted by the group has been circulated to various stakeholders and experts for their views. A High level Committee has also been constituted under the Chairmanship of Secretary (Power) to finalise the tariff policy after taking intoaccount the comments and views of the various stakeholders and experts on the report of the Working Group. The exercise is scheduled to be completed in three months.

In the Electricity Bill 2001, which is under consideration of theParliamentary Standing Committee on Energy, there is a provision for the Central Government to prepare a National Electricity Policy (including tariff policy) inconsultation with the State Governments and the Central Electricity Authority. It also provides that the Regulatory Commissions while determining the tariffs shallbe guided by the National Electricity Policy (including the tariff policy).